



30SR

BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER
Chairman

JIM IRVIN

Commissioner

WILLIAM A. MUNDELL

Commissioner

JEFF HATCH-MILLER

Commissioner

MIKE GLEASON

Commissioner

Arizona Corporation Commission

DOCKETED

MAY 22 2003

DOCKETED BY

CHP

2003 MAY 21 A 11:41

AZ CORP COMMISSION
DOCUMENT CONTROL

UTILITIES DIVISION STAFF,

Complainants,

vs.

LIVEWIRENET OF ARIZONA, LLC,

Respondents,

THE PHONE COMPANY MANAGEMENT
GROUP, LLC,

Respondents,

THE PHONE COMPANY OF ARIZONA JOINT
VENTURE d/b/a/ THE PHONE COMPANY OF
ARIZONA,

Respondents,

ON SYSTEMS TECHNOLOGY, LLC, and its
Principles, TIM WETHERALD, FRANK TRICAMO
and DAVID STAFFORD JOHNSON,

Respondents,

THE PHONE COMPANY OF ARIZONA, LLP,
and its members,

Respondents.

Docket No. T-03889A-02-0796
T-04125A-02-0796

STAFF'S RESPONSE TO DAVID
STAFFORD JOHNSON'S MOTION
TO DISMISS

On October 18, 2002, the Arizona Corporation Commission ("Commission") Utilities Division ("Staff") filed a Complaint and Petition for Relief against, among others, David Stafford Johnson ("Johnson"). On May 12, 2003, Johnson filed a Motion to Dismiss. Johnson, claiming to present "matters outside the complaint" argues that his motion is required to be treated as a motion

1 for summary judgment under Rule 56. It is not clear to Staff that Johnson has in fact presented
2 matters outside the complaint. The Johnson affidavit is no more than a statement as to Johnson's
3 claims regarding facts that are in dispute in this docket. The affidavit should not be accepted by the
4 Commission as "new matters" and Johnson's motion should be treated as a motion to dismiss.
5 However, even if the Commission determines that the Johnson motion is to be treated as a motion for
6 summary judgment, the motion must be denied.

7 Motions for 12(b)(6) dismissals are disfavored by the Commission, as they are by Arizona
8 courts, because the dismissal "disposes of the merits and takes *res judicata* effect."¹ When
9 considering the 12(b)(6) motion, the Commission must assume Staff's material allegations in its
10 complaint are true, and must give Staff the benefit of all inferences the complaint can
11 reasonably support. The Commission must deny a motion to dismiss only if Staff can prove no set of
12 facts entitling relief on its claims.²

13 In reviewing grant of summary judgment, evidence must be viewed in light most favorable to
14 the opposing party, with that party being given benefit of all favorable inferences that may be
15 reasonably drawn from evidence.³ If evidence is such that reasonable persons might reach different
16 conclusions as to whether there is genuine issue as to material fact, the motion for summary judgment
17 must be denied.⁴ Although the following argument focuses on the motion to dismiss standard, the
18 argument also makes clear that there are material issues of fact in dispute in this case that go to the
19 level of Johnson's involvement and culpability in the allegations made by Staff against PCMG, On
20 Systems and LiveWireNet. Under either standard, Johnson's motion must be denied.

21 Staff has made sufficient allegations to support a connection between Johnson and the claims
22 made by Staff in its complaint. The affidavit attached to Johnson's Motion to Dismiss states that
23 Johnson was never a member of The Phone Company Management Group, LLC ("PCMG").⁵
24 However, Commission records consisting of statements of PCMG, LLC show that Johnson is and
25 was a member of PCMG. On July 31, 2002, an Application for a CC&N was filed for "The Phone

26 ¹ *Gatecliff v. Great Republic Life Insurance CO.*, 154 Ariz. 502, 507 (1987).

27 ² *Id.* at 508.

28 ³ *See Wisener v. State*, 123 Ariz. 148, 149 (1979).

⁴ *See State ex rel. Corbin v. Challenge, Inc.*, 151 Ariz. 20, (Ariz.App. 1986).

⁵ Johnson affidavit at ¶1.

1 Company Joint Venture” d/b/a “The Phone Company of Arizona.”⁶ Attachments to the July 31, 2002
2 CC&N application list Johnson as a member of PCMG with 15.38% ownership.⁷ Staff alleges
3 PCMG provided telecommunications services in Arizona as The Phone Company of Arizona without
4 a CC&N to offer such services.⁸ Staff also alleges PCMG did not provide “just, reasonable, safe,
5 proper, adequate or sufficient service” to its customers.⁹ Johnson’s affiliation with PCMG is enough
6 to provide a link between Johnson and Staff’s allegations. Johnson’s affiliation with PCMG is an
7 issue of material fact in dispute in the case.

8 PCMG obtained the CC&N of LiveWireNet, LLC through a purchase of LiveWireNet, LLC
9 membership shares from LiveWireNet, Inc. by On Systems. Johnson was a “representative” of
10 LiveWireNet, LLC at the time of the purchase.¹⁰ On January 29, 2002, LiveWireNet, LLC filed an
11 amendment with the Corporations Division of the Arizona Corporation Commission to change its
12 name to PCMG. Staff alleges PCMG filed to discontinue service in Arizona and indicated it would
13 transfer the CC&N it acquired from LiveWireNet to On Systems Technology, an entity that had not
14 been found fit and proper to offer service in Arizona.¹¹ Attachments to the July 31, 2002 application
15 list Johnson as a member of On Systems Technology.¹² Johnson’s affiliation with On Systems
16 Technology and LiveWireNet is enough to provide a link between Johnson and Staff’s allegations.
17 The level of Johnson’s participation in On Systems and LiveWireNet and his resulting responsibility
18 for Staff’s allegations are issues of material fact in dispute in this case.

19 The Commission should not dismiss Johnson from this case. Doing so would dispose of the
20 merits of the case and have *res judicata* effect. The facts as set out by Staff, which must be taken as
21 true in consideration of Johnson’s Motion to Dismiss, show that Staff may seek relief against Johnson
22 on the merits, and that the Commission may order relief from Johnson due to his involvement in On
23 Systems, PCMG, and LiveWireNet. Because Staff’s allegations must be taken as true, and if those

24 ⁶ Staff Complaint at ¶12. The application is pending and is consolidated into this docket by the May 15, 2003 Procedural
25 Order.

26 ⁷ Attached as exhibit 1.

27 ⁸ Staff Complaint at ¶¶ 24-27.

28 ⁹ Staff Complaint at ¶¶ 35-40.

¹⁰ Johnson affidavit at ¶4-5.

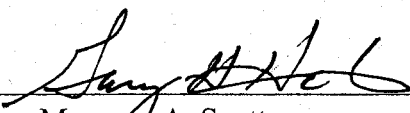
¹¹ Staff Complaint at ¶28-34. The application is still pending and is consolidated into this docket by the May 15, 2003
Procedural Order.

¹² Attached as exhibit 1. Johnson does not deny being a member of On Systems. See Johnson affidavit at ¶¶ 2,3.

1 facts are true the Commission may order some remedy or penalty against Johnson, Johnson's Motion
2 to Dismiss must be denied. Because there are issues of material facts in dispute in the case,
3 Johnson's motion should be denied even if it is treated (and it should not be) as a motion for
4 summary judgment.

5 RESPECTFULLY SUBMITTED this 22nd day of May, 2003.

6 ARIZONA CORPORATION COMMISSION

7
8 By: 
9 Maureen A. Scott
10 Gary H. Horton
11 Attorney, Legal Division
12 1200 West Washington Street
13 Phoenix, Arizona 85007
14 (602) 542-6026

15 Original and 13 copies of the foregoing filed
16 this 22nd day of May 2003, with:

17 Docket Control
18 Arizona Corporation Commission
19 1200 West Washington
20 Phoenix, Arizona 85007

21 Copy of the foregoing hand-delivered/mailed
22 this 22nd day of May, 2003, to:

23 Lyn Farmer
24 Chief Administrative Law Judge
25 Hearing Division
26 Arizona Corporation Commission
27 1200 West Washington
28 Phoenix, Arizona 85007

Ernest Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

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12 Attorneys for LiveWireNet of Arizona, et al

13 Tim Wetherald
14 3025 S. Park Road, Suite 1000
15 Aurora, CO 80014

16 David Stafford Johnson, Manager
17 4577 Pecos Street
18 P. O. Box 11146
19 Denver, CO 80211-0146
20 The Phone Company Management Group,
21 LLC n/k/a LiveWireNet of Arizona, LLC

22 Roald Haugan
23 Managing Partners Chairman
24 32321 County Highway 25
25 Redwood Falls, MN 56283
26 The Phone Company of Arizona, LLP

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Qwest Corporation
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Phoenix, AZ 85012

Jeffrey Crockett
Snell & Wilmer
One Arizona Center
400 East Van Buren
Phoenix, AZ 85004

26 Nancy Roe

EXHIBIT 1

NEW APPLICATION

John
LOTTNER RUBIN FISHMAN BROWN & SAUL, P.C.

WRITER'S DIRECT LINE
(303) 383-7634
WRITER'S E-MAIL ADDRESS
tmiller@haligmanlottner.com

Attorneys at Law

RECEIVED

2002 JUL 31 A 9:48

July 30, 2002

**AZ CORP COMMISSION
DOCUMENT CONTROL**

Sent Via Federal Express

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007-2927

Re: **CC&N Application of The Phone Company of Arizona** **T-04125A-02-0577**

Dear Docket Control:

Enclosed for filing with the Arizona Corporation Commission are originals and ten (10) copies of the above referenced application.

Please date stamp the additional copies of these applications marked "STAMP & RETURN" and return them to me in the enclosed self-addressed stamped envelope.

Please direct all questions regarding these applications to Michael L. Glaser at (303) 292-1200, mglaser@lrflegal.com.

Very truly yours,

Lottner Rubin Fishman Brown & Saul, P.C.



Tad Miller
Paralegal

/tjm
enclosures

ARIZONA CORPORATION COMMISSION

Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services

Mail original plus 10 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending
in Arizona as an Interexchange reseller, AOS provider,
or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____ Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and answer the appropriate numbered items:

- ☒ Resold Long Distance Telecommunications Services (Answer Sections A, B, C).
- ☒ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☐ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, D, E)
- ☒ Alternative Operator Services Telecommunications Services (Answer Sections A, B)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

The Phone Company of Arizona Joint Venture, 3025 S. Parker Rd., Suite 1000, Aurora, CO 80014. Telephone (800) 437-5580. Facsimile (303) 745-7169. <http://www.dialaz.com>.

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

The Phone Company of Arizona

ORIGINAL

ARIZONA CORPORATION COMMISSION

**Application and Petition for Certificate of Convenience and Necessity to Provide
Intrastate Telecommunications Services**

Mail original plus 10 copies of completed application to:

For Docket Control Only:
(Please Stamp Here)

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007-2927

Please indicate if you have current applications pending
in Arizona as an Interexchange reseller, AOS provider,
or as the provider of other telecommunication services.

Type of Service: _____

Docket No.: _____ Date: _____

Date Docketed: _____

Type of Service: _____

Docket No.: _____ Date: _____

Date Docketed: _____

A. COMPANY AND TELECOMMUNICATION SERVICE INFORMATION

(A-1) Please indicate the type of telecommunications services that you want to provide in Arizona and answer the appropriate numbered items:

- ☒ Resold Long Distance Telecommunications Services (Answer Sections A, B, C).
- ☒ Resold Local Exchange Telecommunications Services (Answer Sections A, B, C).
- ☐ Facilities-Based Long Distance Telecommunications Services (Answer Sections A, B, D).
- ☐ Facilities-Based Local Exchange Telecommunications Services (Answer Sections A, B, D, E)
- ☒ Alternative Operator Services Telecommunications Services (Answer Sections A, B)

(A-2) The name, address, telephone number (including area code), facsimile number (including area code), e-mail address, and World Wide Web address (if one is available for consumer access) of the Applicant:

The Phone Company of Arizona Joint Venture, 3025 S. Parker Rd., Suite 1000, Aurora, CO 80014. Telephone (800) 437-5580. Facsimile (303) 745-7169. <http://www.dialaz.com>.

(A-3) The d/b/a ("Doing Business As") name if the Applicant is doing business under a name different from that listed in Item (A-2):

The Phone Company of Arizona

(A-4) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Management Contact:

Tim Wetherald, Manager
3025 S. Parker Road, Suite 1000
Denver, CO 80014
(303) 364-1508
(303) 745-7169 FAX
tim@epobox.ws

(A-5) The name, address, telephone number (including area code), facsimile number (including area code), and E-mail address of the Applicant's Attorney and/or Consultant:

Michael L. Glaser
Lottner Rubin Fishman Brown & Saul, P.C.
633 Seventeenth Street, Suite 2700
Denver, CO 80202-3635
(303) 292-1200
(303) 292-1300 FAX
mglaser@lrflegal.com

(A-6) The name, address, telephone number (including area code), facsimile number (including area code), E-mail address of the Applicant's Complaint Contact Person:

Tim Wetherald
3025 S. Parker Road, Suite 1000
Aurora, CO 80014
1(800) 437-5580
(303) 338-4242
(303) 745-7169 FAX
tim@epobox.ws

(A-7) What type of legal entity is the Applicant?

- ☐ Sole proprietorship
- ☒ Partnership: _____ Limited, X General, _____ Arizona, _____ Foreign
- ☐ Limited Liability Company: _____ Arizona, _____ Foreign
- ☐ Corporation: _____ "S", _____ "C", _____ Non-profit, _____ Arizona, _____ Foreign
- ☐ Other, specify: _____

(A-8) Please include "Attachment A":

Attachment "A" must include the following information:

1. A copy of the Applicant's Certificate of Good Standing as a domestic or foreign corporation, LLC, or other entity in the State of Arizona.
2. A list of the names of all owners, partners, limited liability company managers (or if a member managed LLC, all members), or corporation officers and directors (specify).
3. Indicate percentages of ownership.

(A-9) Include your Tariff as "Attachment B".

Your Tariff must include the following information:

1. Proposed Rates and Charges for each service offered (reference by Tariff page number).

See Price List Pages 6-11.

2. Tariff Maximum Rate and Prices to be Charged (reference by Tariff page number).

See Price List Pages 6-11.

3. Terms and Conditions Applicable to provision of Service (reference by Tariff page number).

See Tariff Pages 12-16.

4. Deposits, Advances, and/or Prepayments Applicable to provision of Service (reference by Tariff page number).

See Tariff Pages 25-26.

5. The proposed fee that will be charged for returned checks (reference by Tariff page number).

Returned check fee is \$15.00. See Tariff Page 25.

(A-10) Indicate the geographic market to be served:

☒

Statewide. (Applicant adopts statewide map of Arizona provided with this application).

☐

Other. Describe and provide a detailed map depicting the area.

(A-11) Indicate if the Applicant has been or if the Applicant is currently involved in any formal or informal complaint proceedings pending before any State or federal Regulatory Commission:

☐

Yes

☒

No

If "Yes", please provide the following information:

1. States in which the Applicant has been or is involved in proceedings.
2. Detailed explanations of the Substance of the Complaints.
3. Commission Orders that resolved any and all Complaints.
4. Actions taken by the Applicant to remedy and/or prevent the Complaints from re-occurring.

(A-12) Indicate if the Applicant has been or is currently involved in any civil or criminal investigations AND/OR had judgment entered against it in any civil matter or been convicted of any criminal acts related to the delivery of telecommunications services within the last five (5) years:

Yes ☐

☒

No

If "Yes", please provide the following information.

1. States involved in the judgments and/or convictions.
2. Reasons for the investigation and/or judgment.
3. Copy of the Court order, if applicable.

(A-13) Indicate if the Applicant's customers will be able to access alternative toll service providers or resellers via 1+101XXXX access.

Yes ☒

No ☐

(A-14) Is applicant willing to post a Performance Bond? Please check appropriate box(s).

☒ For Long Distance Resellers, a \$10,000 bond will be recommended for those resellers who collect advances, prepayments or deposits.

☒ Yes

☐ No

If "No", continue to question (A-15).

☒ For Local Exchange Resellers, a \$25,000 bond will be recommended.

☒ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Long Distance, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

☐ For Facilities-Based Providers of Local Exchange, a \$100,000 bond will be recommended.

☐ Yes

☐ No

If "No", continue to question (A-15).

Note: Amounts are cumulative if the Applicant is applying for more than one type of service.

(A-15) If No to any of the above, provide the following information. Clarify and explain the Applicant's deposit policy (reference by tariff page number). Provide a detailed explanation of why the applicant's superior financial position limits any risk to Arizona consumers.

N/A

(A-16) Submit copies of affidavits of publication that the Applicant has, as required, published legal notice of the Application in all counties where the services will be provided.

Prior to issuance of the CC&N, the Applicant must complete and submit an Affidavit of Publication Form. Refer to Attachment C - Legal Notice Material (Newspaper Information, Sample Legal Notice and Affidavit of Publication).

Public Notice will be given within twenty (20) days after the filing of this application, and an affidavit of publication will be filed upon completion of the public notice. A sample of the Notice is attached as Attachment C.

of persons and their years of experience in telecommunications services industry.

(A-17) Indicate if the Applicant is a switchless reseller of the type of telecommunications services that the Applicant will or intends to resell in the State of Arizona:



Yes



No

If "Yes", provide the name of the company or companies whose telecommunications services the Applicant resells.

Qwest Local Exchange Services

Global Crossing Long Distance Services

(A-18) List the States in which the Applicant has had an application approved or denied to offer telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona:

N/A

(A-19) List the States in which the Applicant currently offers telecommunications services similar to those that the Applicant will or intends to offer in the State of Arizona.

N/A

(A-20) List the names and addresses of any alternative providers of the service that are also affiliates of the telecommunications company, as defined in R14-2-801.

N/A

B. FINANCIAL INFORMATION

(B-1) Indicate if the Applicant has financial statements for the two (2) most recent years.



Yes



No

If "No," explain why and give the date on which the Applicant began operations.

The Phone Company of Arizona Joint Venture was created on June 6, 2002. Applicant includes an opening balance sheet showing that it is fully funded and financially qualified to offer the type of telecommunications services proposes to resell. See Attachment D.

(B-2) Include "Attachment D".

Provide the Applicant's financial information for the two (2) most recent years.

1. A copy of the Applicant's balance sheet.
2. A copy of the Applicant's income statement. *for*
3. A copy of the Applicant's audit report.
4. A copy of the Applicant's retained earnings balance.
5. A copy of all related notes to the financial statements and information.

(B-3) Indicate if the Applicant will rely on the financial resources of its Parent Company, if applicable.

The Applicant has been funded by the Phone Company of Arizona, LLP, a general partner in Applicant, in the amount of \$619,000. In addition, the Phone Company Management Group, LLC, a subsidiary of On Systems Technology, LLC and also a general partner of in Applicant, will serve as the managing partner of the Applicant.

(B-4) The Applicant must provide the following information.

1. Provide the projected total revenue expected to be generated by the provision of telecommunications services to Arizona customers for the first twelve months following certification, adjusted to reflect the maximum rates for which the Applicant requested approval. Adjusted revenues may be calculated as the number of units sold times the maximum charge per unit.

See Attachment E.

2. Provide the operating expenses expected to be incurred during the first twelve months of providing telecommunications services to Arizona customers following certification.

See Attachment E.

3. Provide the net book value (original cost less accumulated depreciation) of all Arizona jurisdictional assets expected to be used in the provision of telecommunications service to Arizona customers at the end of the first twelve months of operation. Assets are not limited to plant and equipment. Items such as office equipment and office supplies should be included in this list.

See Attachment D. *Dollar value.*

4. If the projected value of all assets is zero, please specifically state this in your response.
5. If the projected fair value of the assets is different than the projected net book value, also provide the corresponding projected fair value amounts.

C. RESOLD LONG DISTANCE AND/OR LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(C-1) Indicate if the Applicant has a resale agreement in operation.

☐

Yes

☒

No

If "Yes", please reference the resale agreement by Commission Docket Number or Commission Decision Number.

Applicant is in the process of negotiating resale agreements with Qwest and Global Crossing.

D. FACILITIES-BASED LONG DISTANCE AND/OR FACILITIES BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(D-1) Indicate if the Applicant is currently selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services in the State of Arizona. This item applies to an Applicant requesting a geographic expansion of their CC&N:

☐

Yes

☐

No

If "Yes," provide the following information:

1. The date or approximate date that the Applicant began selling facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services for the State of Arizona.
2. Identify the types of facilities-based long distance telecommunications services AND/OR facilities-based local exchange telecommunications services that the Applicant sells in the State of Arizona.

If "No," indicate the date when the Applicant will begin to sell facilities-based long distance telecommunications AND/OR facilities-based local exchange telecommunications services in the State of Arizona:

(D-2) Check here if you wish to adopt as your petition a statement that the service has already been classified as competitive by Commission Decision:

- ☐ Decision # 64178 Resold Long Distance
- ☐ Decision # 64178 Resold LEC
- ☐ Decision # 64178 Facilities Based Long Distance
- ☐ Decision # 64178 Facilities Based LEC

E. FACILITIES-BASED LOCAL EXCHANGE TELECOMMUNICATIONS SERVICES

(E-1) Indicate whether the Applicant will abide by the quality of service standards that were approved by the Commission in Commission Decision Number 59241:

- ☐ Yes ☐ No

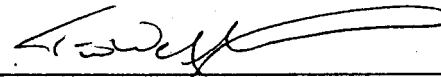
(E-2) Indicate whether the Applicant will provide all customers with 911 and E911 service, where available, and will coordinate with incumbent local exchange carriers ("ILECs") and emergency service providers to provide this service:

- ☐ Yes ☐ No

(E-3) Indicate that the Applicant's switch is "fully equal access capable" (i.e., would provide equal access to facilities-based long distance companies) pursuant to A.A.C. R14-2-1111 (A):

- ☐ Yes ☐ No

I certify that if the applicant is an Arizona corporation, a current copy of the Articles of Incorporation is on file with the Arizona Corporation Commission and the applicant holds a Certificate of Good Standing from the Commission. If the company is a foreign corporation or partnership, I certify that the company has authority to transact business in Arizona. I certify that all appropriate city, county, and/or State agency approvals have been obtained. Upon signing of this application, I attest that I have read the Commission's rules and regulations relating to the regulations of telecommunications services (A.A.C. Title 14, Chapter 2, Article 11) and that the company will abide by Arizona state law including the Arizona Corporation Commission Rules. I agree that the Commission's rules apply in the event there is a conflict between those rules and the company's tariff, unless otherwise ordered by the Commission. I certify that to the best of my knowledge the information provided in this Application and Petition is true and correct.



(Signature of Authorized Representative)

July 29, 2002
(Date)

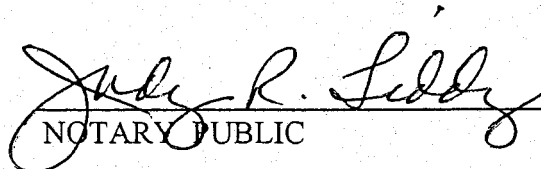
Tim Wetherald

(Print Name of Authorized Representative)

Manager

(Title)

SUBSCRIBED AND SWORN to before me this 29th day of July, 2002.


NOTARY PUBLIC

My Commission Expires 12/17/2002

Members of The Phone Company Management Group, LLC

<u>Member</u>	<u>Percentage of Ownership</u>
Tim Wetherald, Manager	53.85%
Frank Tricamo, Member	30.77%
David Stafford Johnson, Member	15.38%

Members of On Systems Technology, LLC

<u>Member</u>	<u>Percentage of Ownership</u>
Tim Wetherald, Manager	53.85%
Frank Tricamo, Member	30.77%
David Stafford Johnson, Member	15.38%